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SENATE BILL 600

By Cooper

AN ACT to amend Tennessee Code Annotated, Title 57, relative to alcoholic beverages.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 57-3-204, is amended by deleting subsection (a) in its entirety and by substituting instead the following language:

(a) For the retail sale of alcoholic spirituous beverages, as in this chapter defined, a license may be issued as herein provided. Any person, firm, general or limited partnership, limited liability company, or corporation desiring to sell alcoholic spirituous beverages to patrons or customers, in sealed packages only, and not for consumption on the premises, shall make application to the commission for a retailer's license, which application shall be in writing and verified, on forms herein authorized to be prescribed and furnished; and the commission may, subject to the restrictions of this chapter, issue such retailer's license. If the premises with respect to which the license is sought is owned by a person, firm, general or limited partnership, limited liability company or corporation not the applicant, the application shall include the name and address of the owner. If the ownership of the premises should change after a license is granted, the

licensee shall, within ten (10) days after becoming aware of such change in ownership, notify the commission in writing of the name and address of the new owner.

SECTION 2. Tennessee Code Annotated, Section 57-3-204(b), is amended by deleting subdivision (4) in its entirety and by substituting instead the following language:

(4) A retailer's license under this section shall not be issued if the commission determines that any payments made or proposed to be made to any landlord, consultant, independent contractor, employee, agent, or any other person or entity acting or purporting to act on behalf of the applicant for retail license is not reasonable or is paid in such a manner and amount so as to indicate a division of profits to such person. In aid of its responsibilities under this section, the commission is authorized to require any applicant to certify the reasonableness of payments it makes to any such landlord, consultant, independent contractor, employee, agent, or any other person or entity acting or purporting to act on behalf of the applicant for retail license, and may require the disclosure of all payments made during a previous year or years to such persons by any licensee seeking renewal of a license. The restriction in this subdivision does not apply to any lease entered into prior to January 1, 1990.

SECTION 3. This act shall take effect July 1, 2001, the public welfare requiring it.